

STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: ERIC WALTER MEISTER
doing business as PAYDAY SERVICES PLUS
40111 Hwy 41, #1
Oakhurst, CA 93644

CITATIONS
AND
DESIST AND REFRAIN ORDER
(Pursuant to California Financial Code section 23058)

The California Corporations Commissioner finds that:

1. Eric Walter Meister dba Payday Services Plus, hereinafter “Licensee” is, and was at all relevant times herein, an individual with its principal place of business located at 40111 Hwy 41 #1, Oakhurst, California 93644.

2. On or about September 11, 2006, Licensee obtained a license from the California Corporations Commissioner (“Commissioner”) to engage in the business of deferred deposit transactions at 40111 Hwy 41 #1, Oakhurst, California 93644.

3. An examination of Licensee conducted by the Commissioner on June 14, 2007 disclosed the following violations at 40111 Hwy 41 #1, Oakhurst, California 93644.

Citation A. Licensee failed to distribute the notice to the customer prior to entering into the agreement required by California Financial Code section 23035(c).

Citation B. Licensee failed to include disclosure that customer cannot be prosecuted or threatened with prosecution to collect a deferred deposit transaction in the Agreement in violation of California Financial Code section 23035 (e) (9).

Citation C. Licensee failed to include disclosure that licensee cannot accept collateral in connection with the deferred deposit transaction in the Agreement in violation of California Financial Code section 23035 (e) (10).

Citation D. Licensee failed to include disclosure that licensee cannot make a deferred deposit transaction contingent on the purchase of another product or service in the Agreement in

violation of California Financial Code section 23035 (e) (11).

Citation E. Licensee failed to maintain a net worth of \$25,000 in violation of Financial Code section 23007.

Citation F. The notice required to be conspicuously posted in the unobstructed view of the public in letters not less than ½ inch in height did not contain a schedule of all the fees and charges that would be charged on deferred deposit transactions with an example of the fees and charges that would be charged on at least a \$100 and \$200 deferred deposit transaction, payable in 14 and 30 days, giving the corresponding annual percentage rate in violation of Financial Code section 23035 (d) (2)

Citation G. Licensee failed to conduct deferred deposit transaction business under the name in the license in violation of Financial Code section 23023. Licensee conducted business under the name Payday Loans and Payday Plus. Licensee is authorized to conduct deferred deposit business under the name Eric Walter Meister and/or Payday Services Plus.

Citation H. Licensee failed to include in advertising that licensee is licensed by the Department of Corporations pursuant to the California Deferred Deposit Transaction Law in violation of California Financial Code 23027 (b).

Pursuant to California Financial Code section 23058, Licensee is hereby ordered to pay to the Commissioner an administrative penalty for 40111 Hwy 41 #1, Oakhurst, California 93644 in the total amount \$15,000 for the following Citations within 30 days from the date of these Citations.

Citation A. \$2,500

Citation B. \$1,500

Citation C. \$1,500

Citation D. \$1,500

Citation E. \$2,500

Citation F. \$1,500

Citation G. \$1,500

Citation H. \$2,500

Pursuant to California Financial Code section 23050, Licensee is hereby ordered to desist and refrain from engaging in the business of deferred deposit transactions in the State of California in violation of the above referenced sections.

These Citations and Desist and Refrain Order are necessary, in the public interest, for the protection of consumers and is consistent with the purposes, policies and provisions of the California Deferred Deposit Transaction Law. These Citations and Desist and Refrain Order shall remain in full force and effect until further order of the Commissioner.

These Citations are separate from any further action that may include other administrative, civil or criminal remedies that the Commissioner may take based upon the violations of law cited herein or otherwise.

California Financial Code section 23058 provides, in relevant part:

(a) If, upon inspection, examination or investigation, based upon a complaint or otherwise, the department has cause to believe that a person is engaged in the business of deferred deposit transactions without a license, . . . the department may issue a citation to that person in writing, describing with particularity the basis of the citation. Each citation may contain . . . an assessment of an administrative penalty not to exceed two thousand five hundred dollars (\$2,500)

. . .

(c) If within 30 days from the receipt of the citation of the person cited fails to notify the department that the person intends to request a hearing as described in subdivision (d), the citation shall be deemed final.

(d) Any hearing held under this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code

California Financial Code section 23050 provides:

Whenever, in the opinion of the commissioner, any person is engaged in the business of deferred deposit transactions, as defined in this division, without a license from the commissioner, or any licensee is violating any provision

1 of this division, the commissioner may order that person or licensee to desist
2 and to refrain from engaging in the business or further violating this division.
3 If, within 30 days, after the order is served, a written request for a hearing is
4 filed and no hearing is held within 30 days thereafter, the order is rescinded.

5 The request for a hearing may be made by delivering or mailing a written request to:

6 Steven Thompson
7 Special Administrator
8 California Deferred Deposit Transaction Law
9 Department of Corporations
10 320 West 4th Street, Ste. 750
11 Los Angeles, California 90013-2344
12 (213) 576-7610

13 Dated: July 23, 2007
14 Los Angeles, CA

15 PRESTON DUFAUCHARD
16 California Corporations Commissioner

17 By _____
18 Steven C. Thompson
19 Special Administrator
20 California Deferred Deposit Transaction Law
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